

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2662 - SB 2637

February 20, 2018

SUMMARY OF BILL: Prohibits a Water and Wastewater Treatment Authority (WWTA) from assessing sewer service charges to certain properties. Requires a WWTA to credit previous charges assessed toward future sewer service charges.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – Due to multiple unknown variables a precise mandatory decrease in local government revenue cannot be determined; however is reasonably estimated to be \$75,000 per moratorium for each year such moratorium is in place.

Assumptions:

- Based on information provided by the Tennessee Department of Environment and Conservation, the proposed language only applies to the Hamilton County Water and Wastewater Treatment Authority (HCWWTA).
- Based on information provided by HCWWTA, there are four areas within the Authority's service area which are currently under a moratorium, with 1,254 properties in those four areas which do not have a sewer tap permit.
- HCWWTA would be required to cease assessments of sewer service charges to the 1,254 properties and place all charges which have been paid since the moratorium towards charges which will be assessed once the moratorium is lifted.
- Due to multiple unknown factors such as, the length of time of any moratorium, when and if any moratorium will be lifted, the number of properties served by that particular moratorium area, the extent of all rates assessed which will be paid toward future charges, a precise mandatory decrease in local government revenue cannot be determined; however such decrease is reasonably estimated to exceed \$75,000 per moratorium for each year such moratorium is in place.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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